

Message Text

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ACTION EA-09

INFO OCT-01 IO-11 ISO-00 CIAE-00 DODE-00 NSAE-00 NSCE-00

SSO-00 USIE-00 INRE-00 PM-04 H-02 INR-07 L-03 NSC-05

PA-02 PRS-01 SP-02 SS-15 AID-05 COME-00 EB-07 FRB-01

TRSE-00 XMB-04 OPIC-06 CIEP-02 LAB-04 SIL-01 OMB-01

STR-04 CEA-01 AGR-10 INT-05 FEA-01 /114 W

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O 100745Z MAR 76

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC IMMEDIATE 2705

INFO AMEMBASSY BANGKOK IMMEDIATE

AMEMBASSY HONG KONG IMMEDIATE

AMEMBASSY JAKARTA IMMEDIATE

AMEMBASSY MANILA IMMEDIATE

AMEMBASSY SINGAPORE IMMEDIATE

AMEMBASSY TOKYO IMMEDIATE

USDEL MTN GENEVA IMMEDIATE

USMISSION USUN IMMEDIATE

UNCLAS SECTION 1 OF 2 KUALA LUMPUR 1339

E.O. 11652: N/A

TAGS: ECIN MY

SUBJ: ASEAN: SECOND MEETING OF ECONOMIC AND PLANNING MINISTERS,
KUALA LUMPUR, MARCH 8 AND 9, 1976 - TEXT OF JOINT PRESS
RELEASE

1. SUMMARY: THIS MESSAGE TRANSMITS TEXT OF JOINT PRESS RELEASE
OF SUBJECT MEETING. END SUMMARY.

2. SUBJECT MEETING (INITIALLY SCHEDULED END 6 PM MARCH 9)
CONCLUDED EARLY A.M. MARCH 10 WITH ISSUANCE OF FOLLOWING JOINT
PRESS RELEASE NEGOTIATED BY MINISTERS IN NON-STOP MARATHON
SESSION FROM ABOUT 2:30 P.M. MARCH 9 UNTIL ABOUT 12:30 A.M.

MARCH 10:

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QUOTE. THE SECOND MEETING OF ASEAN ECONOMIC AND PLANNING MINISTERS WAS HELD IN KUALA LUMPUR ON 8 - 9 MARCH, 1976 PURSUANT TO THE DECISION OF THE MEETING OF ASEAN HEADS OF GOVERNMENT, HELD IN BALI ON 23 - 24 FEBRUARY, 1976.

QUOTE. 2. THE MEETING WAS ATTENDED BY H.E. WIDJOJO NITISASTRO, MINISTER OF STATE FOR ECONOMIC, FINANCIAL AND INDUSTRIAL AFFAIRS OF INDONESIA AND H.E. RADIUS PRAWIRO, MINISTER OF TRADE OF INDONESIA; H.E. GERARDO SICAT, SECRETARY OF ECONOMIC PLANNING OF THE PHILIPPINES AND H.E. VICENTE PATERNO, SECRETARY OF INDUSTRY OF THE PHILIPPINES; H.E. HON SUI SEN, MINISTER FOR FINANCE OF SINGAPORE; DR. AMNUAY VIRAWAN, UNDER-SECRETARY OF STATE FOR FINANCE OF THAILAND; H.E. DATUK HAMZAH BIN DATUK ABU SAMAH, MINISTER OF TRADE AND INDUSTRY OF MALAYSIA AND H.E. DATUK MUSA HITAM, MINISTER OF PRIMARY INDUSTRIES OF MALAYSIA, AND THEIR RESPECTIVE DELEGATIONS.

QUOTE. 3. H.E. DATUK HUSSEIN ONN, PRIME MINISTER OF MALAYSIA DECLARED THE MEETING OFFICIALLY OPEN.

QUOTE. 4. IN HIS ADDRESS, H.E. DATUK HUSSEIN ONN, EMPHASIZED THE NEED FOR ASEAN TO SHIFT FROM BROAD GENERALITIES TO HARD DETAILS IN ORDER TO GIVE EFFECT TO THE DECISIONS OF THE HEADS OF GOVERNMENT AT THE BALI SUMMIT. HE EXPRESSED THE VIEW THAT ANY FORM OF MULTILATERAL ECONOMIC COOPERATION WOULD BENEFIT THE REGION AS A WHOLE IN VIEW OF THE REGION BEING THE WORLD'S LARGEST EXPORTER OF PRIMARY COMMODITIES AND IN VIEW OF THE VAST NATURAL AND HUMAN RESOURCES FOUND IN THE REGION. HE FURTHER EXPRESSED THE HOPE THAT THERE WOULD BE EQUITABLE SHARING OF BENEFITS OF ECONOMIC COOPERATION, HAVING REGARD TO THE MAIN PURPOSE OF ASEAN WHICH WAS TO ADVANCE THE MATERIAL WELL-BEING OF THE SOUTHEAST ASIAN PEOPLES THROUGH EFFECTIVE SOCIO-ECONOMIC COOPERATION.

QUOTE. 5. HE REITERATED THAT ASEAN IS A NON-IDEOLOGICAL, NON-MILITARY AND NON-ANTAGONISTIC ORGANISATION AND THAT ASEAN'S MEMBERSHIP IS OPEN TO ALL STATES IN GEOGRAPHICAL SOUTHEAST ASIA SO THAT ASEAN CAN BECOME A TRULY SOUTHEAST ASIAN ORGANISATION.

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QUOTE. 6. H.E. DATUK HAJI HAMZAH BIN DATUK ABU SAMAH AND H.E. GERARDO SICAT WERE ELECTED CHAIRMAN AND VICE-CHAIRMAN OF THE MEETING, RESPECTIVELY.

QUOTE. 7. IN REGARD TO THE JOINT APPROACHES TO INTERNATIONAL COMMODITY PROBLEMS, THE OUTSTANDING ISSUES WHICH STILL REMAIN IN THE FORMULATION OF THE INTERNATIONAL AGREEMENT ON NATURAL RUBBER PRICE STABILISATION SCHEME WERE REVIEWED AND SUCCESS-

FULLY RESOLVED BY THE MINISTERS. THIS SHOULD CLEAR THE WAY FOR OFFICIALS OF THE ASSOCIATION OF NATURAL RUBBER PRODUCING COUNTRIES (ANRPC) TO FINALISE THE DRAWING UP OF THE DRAFT INTERNATIONAL AGREEMENT AT AN EARLY DATE.

QUOTE. 8. THE DECISION OF THE ASEAN ECONOMIC MINISTERS IN THIS REGARD IS A DIRECT AND SUBSTANTIVE RESULT OF THE RECENT ADOPTION BY ASEAN HEADS OF STATES OF THE ASEAN CONCORD IN WHICH PROVISION IS MADE FOR INTENSIFIED ASEAN COOPERATION IN THE ECONOMIC FIELD. THIS ACHIEVEMENT WILL SERVE AS A FURTHER IMPETUS TO ASEAN ECONOMIC COOPERATION AND ALSO REPRESENTS THE KIND OF MUTUALLY BENEFICIAL PROJECTS WHICH WILL RESULT FROM SUCH COOPERATION.

QUOTE. 9. IN REGARD TO COOPERATION ON BASIC COMMODITIES THE MEETING IDENTIFIED RICE AND CRUDE OIL AS THE FIRST TWO BASIC COMMODITIES IN FOOD AND ENERGY RESPECTIVELY FOR THE ASEAN COUNTRIES TO ACCORD PREFERENTIAL TRADING ARRANGEMENTS, PRIORITY OF SUPPLY AND PRIORITY OF PURCHASE IN CRITICAL CIRCUMSTANCES IN TIMES OF SHORTAGE AND OF OVER SUPPLY, RESPECTIVELY. THE MEETING ALSO INSTRUCTED ASEAN SENIOR OFFICIALS TO INSTITUTE FEASIBILITY STUDIES OF OTHER BASIC COMMODITIES.

QUOTE. 10. THE MEETING ALSO STRESSED THAT IT WAS THE DISCRETION OF THE COUNTRY FACING THE SHORTAGE TO DETERMINE THE EXTENT OF CRITICAL SHORTAGE.

QUOTE. 11. IN RESPECT OF THE MECHANISM TO IMPLEMENTING THE SCHEME OF PREFERENTIAL TRADING ARRANGEMENTS AND PRIORITY TREATMENT IN CRITICAL CIRCUMSTANCES, THE MEETING AGREED THAT SUCH A MECHANISM WILL BE SUBJECT TO BILATERAL NEGOTIATION. THE MEETING, HOWEVER, AGREED THAT THE ESSENTIAL GUIDING UNCLASSIFIED

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PRINCIPLE GOVERNING ANY COOPERATION ON BASIC COMMODITIES, PARTICULARLY ON PRICING SHOULD BE THE SPIRIT OF ASSISTANCE WHICH WILL ENABLE ASEAN COUNTRIES TO CONTRIBUTE TO THE STRENGTHENING OF ASEAN ECONOMIC RESILIENCE BY REFRAINING FROM TAKING ADVANTAGE OF THE ADVERSE POSITION FACED BY OTHER ASEAN COUNTRIES.

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ACTION EA-09

INFO OCT-01 IO-11 ISO-00 AGR-10 FEA-01 INT-05 CIAE-00

DODE-00 NSAE-00 NSCE-00 SSO-00 USIE-00 INRE-00 PM-04

H-02 INR-07 L-03 NSC-05 PA-02 PRS-01 SP-02 SS-15

AID-05 COME-00 EB-07 FRB-01 TRSE-00 XMB-04 OPIC-06

CIEP-02 LAB-04 SIL-01 OMB-01 STR-04 CEA-01 /114 W

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O 100745Z MAR 76

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC IMMEDIATE 2706

INFO AMEMBASSY BANGMOK IMMEDIATE

AMEMBASSY HONG KONG IMMEDIATE

AMEMBASSY JAKARTA IMMEDIATE

AMEMBASSY MANILA IMMEDIATE

AMEMBASSY SINGAPORE IMMEDIATE

AMEMBASSY TOKYO IMMEDIATE

USDEL MTN GENEVA IMMEDIATE

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QUOTE. 12. THE MEETING INSTRUCTED ASEAN SENIOR OFFICIALS TO FORMULATE THE NECESSARY GUIDELINES WHICH SHOULD GOVERN THE OPERATION OF SUCH A SCHEME AND AGREED IN THE MEANWHILE THAT ASEAN COUNTRIES SHOULD ASSIST EACH OTHER IN RESPECT OF RICE AND CRUDE OIL.

QUOTE. 13. IN ORDER TO BE ABLE TO UNDERTAKE APPROPRIATE AND TIMELY MEASURES THE MEETING AGREED TO MAKE PERIODICAL REVIEWS OF ITS FOOD AND ENERGY SITUATION AND PROSPECT IN THE REGION AS WELL AS IN THE WORLD.

QUOTE. 14. THE MEETING ALSO TOOK NOTE OF THE EXISTENCE OF ASEAN COUNCIL ON PETROLEUM (ASCOPE) AND AGREED THAT THIS BODY BE UTILIZED ON MATTERS OF COOPERATION IN ENERGY
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PRODUCTION.

QUOTE. 15. THE MEETING AGREED TO CREATE AN EXPERTS GROUP TO

REVIEW THE INDUSTRIAL COOPERATION PROGRAM AND DIRECTED THAT THIS GROUP:-

(1) EXAMINE THE FEASIBILITY OF IMMEDIATELY ESTABLISHING THE FOLLOWING PROJECTS AS ASEAN INDUSTRIAL PLANTS:-

INDONESIA: UREA
MALAYSIA: UREA
PHILIPPINES: SUPERPHOSPHATES
SINGAPORE: DIESEL ENGINES
THAILAND: SODA-ASH

(2) INVESTIGATE THE TECHNICAL AND ECONOMIC FEASIBILITY OF ESTABLISHING ADDITIONAL MANUFACTURING CAPACITY WITHIN THE REGION TO SUPPLY REGIONAL REQUIREMENTS FOR NEWSPRINT AND POTASH.

(3) CONSULT WITH ONE ANOTHER ON NATIONAL PROGRAMS FOR DEVELOPMENT OF STEEL AND PETROCHEMICALS INDUSTRIES WITH A VIEW TO COORDINATING THESE PROGRAMS, AVOIDING UNNECESSARY DUPLICATION AND COMPETITION, SO AS TO ACHIEVE MAXIMUM BENEFITS FOR THE ASEAN REGION AS A WHOLE.

(4) EXCHANGE INFORMATION ON VARIOUS SECTORS OF NATIONAL INDUSTRIAL DEVELOPMENT PROGRAMS WITH A VIEW TO IDENTIFYING POSSIBILITIES FOR COMPLEMENTATION AMONG THE EXISTING INDUSTRIES IN THE REGION.

QUOTE. 16. THE MEETING ALSO AGREED TO INVITE MEMBER COUNTRIES TO PROPOSE OTHER INDUSTRIAL PROJECTS FOR ADOPTION AS INDUSTRIAL PROJECTS TO BE ESTABLISHED AND OPERATED WITHIN A REASONABLE PERIOD. IN THIS CONNECTION, THE MEETING FURTHER AGREED THAT THE EXPERTS GROUP SHOULD ALSO STUDY THE FOLLOWING PRODUCTS:-

(I) METALWORKING MACHINE TOOLS
(II) FISHERIES
(III) ELECTROLYTIC TIN PLATING
(IV) HEAVY-DUTY RUBBER TYRES, AND
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(V) ELECTRONIC COMPONENTS

QUOTE. 17. THE MEETING AGREED THAT PRODUCTS OF THE FIVE ASEAN INDUSTRIAL PROJECTS SHALL BE ELIGIBLE FOR PREFERENTIAL TRADING ARRANGEMENTS WHICH WILL BE EXAMINED BY SENIOR OFFICIALS.

QUOTE. 18. IN REGARD TO COOPERATION IN TRADE, ASEAN ECONOMIC MINISTERS EMPHASIZED THEIR DESIRE TO STRENGTHEN INTRA-ASEAN TRADE AND AGREED THAT THE FOLLOWING MEASURES SHOULD SERVE AS REFERENCE POINTS FOR FUTURE STUDIES ON TRADE COOPERATION

AMONGST ASEAN COUNTRIES:

(A) LONG TERM QUANTITY CONTRACTS;

(B) PURCHASE FINANCE SUPPORT AT PREFERENTIAL INTEREST RATES; AND

(C) PREFERENCE IN PROCUREMENT BY GOVERNMENT ENTITIES;

(D) EXTENSION OF TARIFF PREFERENCES; AND

(E) OTHER MEASURES AGREED UPON.

QUOTE. 19. THE MEETING AGREED THAT THERE SHOULD BE A THOROUGH REVIEW OF THE EXISTING ECONOMIC AND TRADE FORUMS IN ASEAN IN ORDER TO ENABLE A MORE EFFICIENT IMPLEMENTATION OF THE OBJECTIVES AND GUIDELINES.

QUOTE. 20. THE ECONOMIC MINISTERS ALSO CONSIDERED JOINT APPROACH TO OTHER WORLD ECONOMIC PROBLEMS AND AGREED:

(A) TO ESTABLISH ASEAN MACHINERY FOR DIALOGUE WITH THIRD COUNTRIES OR GROUPS OF COUNTRIES SUCH AS CANADA, USA, JAPAN, WEST ASIAN COUNTRIES (INCLUDING IRAN) AND COMECON COUNTRIES AS WELL AS REGIONAL GROUPINGS OR BLOCS.

(B) TO ADOPT JOINT APPROACHES TO OTHER WORLD ECONOMIC PROBLEMS IN THE UNITED NATIONS AS WELL AS OTHER RELEVANT INTERNATIONAL FORA SUCH AS UNCTAD, CIEC, IMF, IBRD, ADB AND ESCAP, PARTICULARLY ON PROBLEMS OF RAW MATERIALS, TRANSFER OF RESOURCES, AND THE REFORM OF INTERNATIONAL UNCLASSIFIED

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MONETARY SYSTEM.

QUOTE. 21. THE MEETING ALSO REVIEWED THE EXISTING ASEAN MACHINERY FOR ECONOMIC COOPERATION AND DECIDED THAT AN AD HOC COMMITTEE BE CONVENED TO STUDY AND MAKE RECOMMENDATIONS FOR CONSIDERATION OF THE ASEAN SENIOR OFFICIALS FOR THE REORGANIZATION OF ASEAN MACHINERY.

QUOTE. 22. THE THIRD MEETING OF THE ASEAN ECONOMIC AND PLANNING MINISTERS WILL BE HELD IN MANILA AT A DATE TO BE MUTUALLY AGREED UPON.

QUOTE. 23. THE MEETING EXPRESSED ITS SINCERE APPRECIATION TO THE GOVERNMENT AND PEOPLE OF MALAYSIA FOR THE WARM AND GENEROUS HOSPITALITY ACCORDED TO THEM AND FOR THE EXCELLENT FACILITIES PROVIDED AND THE EFFICIENT ARRANGEMENTS MADE FOR THE MEETING.

QUOTE. 24. THE MEETING WAS HELD IN THE TRADITIONAL SPIRIT OF
ASEAN CORDIALITY AND FRIENDSHIP. END QUOTE.

3. EMBASSY COMMENTS FOLLOW SEPTTEL.
UNDERHILL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, INDUSTRIAL DEVELOPMENT, PRESS RELEASES, MINISTERIAL MEETINGS, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976KUALA01339
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760090-0567
From: KUALA LUMPUR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760376/aaaacpeg.tel
Line Count: 337
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 25 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25 JUN 2004 by fisherem>; APPROVED <14 DEC 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ASEAN: SECOND MEETING OF ECONOMIC AND PLANNING MINISTERS, KUALA LUMPUR, MARCH 8 AND 9, 1976 - TEXT OF JOINT PRESS
TAGS: ECIN, MY, ASEAN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006